

2002 - 2004 REVENUE SUMMARY

BY SOURCE	2002 Actual	2003 Adopted Budget	2003 Estimate	2004 Adopted Budget	Incr/(Decr) From 2003 Adpt. Budget
Intgov't Contracts & Grants	\$63,926,657	\$60,232,140	\$63,112,724	\$63,021,643	\$2,789,503
State Transportation Aids	\$5,347,284	\$5,352,765	\$5,352,765	\$5,502,765	\$150,000
St. Shared Revs/Mandate Relief	\$3,626,232	\$3,443,350	\$3,443,350	\$1,763,700	(\$1,679,650)
Fines & Licenses	\$3,375,583	\$2,628,300	\$2,606,070	\$2,778,445	\$150,145
Charges for Services (a)	\$23,268,425	\$23,410,296	\$25,095,272	\$23,656,494	\$246,198
Interdepartmental Revenue	\$13,533,725	\$14,218,046	\$13,385,162	\$13,870,852	(\$347,194)
Other Revenues	\$9,294,176	\$7,911,103	\$8,348,061	\$7,726,865	(\$184,238)
Interest/Penalty on Delinq Taxes	\$1,850,197	\$1,698,000	\$1,705,000	\$1,788,000	\$90,000
Investment Inc-Unrestricted Fnds	\$5,115,476	\$5,905,000	\$5,905,000	\$5,850,000	(\$55,000)
Debt Borrowing	\$9,900,000	\$13,500,000	\$13,500,000	\$14,000,000	\$500,000
Appropriated Fund Balance	\$1,996,038	\$11,528,986	\$4,769,632	\$14,084,419	\$2,555,433
Retained Earnings (b)	(\$1,824,525)	(\$1,149,572)	(\$1,122,637)	(\$1,314,719)	(\$165,147)
Tax Levy	\$77,587,560	\$80,609,559	\$80,609,559	\$84,321,665	\$3,712,106
Total Gross Revenues	\$216,996,828	\$229,287,973	\$226,709,958	\$237,050,129	\$7,762,156

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Justice & Public Safety	\$11,504,314	\$11,774,255	\$11,579,726	\$12,004,896	\$230,641
Health & Human Services	\$58,249,260	\$57,903,172	\$61,708,475	\$62,621,954	\$4,718,782
Parks, Env, Educ & Land Use (a)	\$16,482,616	\$15,189,379	\$18,884,084	\$16,067,034	\$877,655
Public Works	\$18,151,147	\$17,813,289	\$14,939,145	\$14,619,806	(\$3,193,483)
General Administration (a)	\$13,998,831	\$13,679,808	\$14,086,863	\$14,118,258	\$438,450
Non-Departmental	\$4,212,735	\$3,033,228	\$3,048,642	\$3,196,348	\$163,120
Capital Projects & Debt	\$6,738,852	\$5,405,869	\$4,706,469	\$3,330,468	(\$2,075,401)
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(a) Includes revenues from enterprise fund user fees which are estimated to result in retained earnings.

(b) Revenues in excess of expenditures from enterprise funds which are retained in the appropriate fund and not used to offset the overall County tax levy.

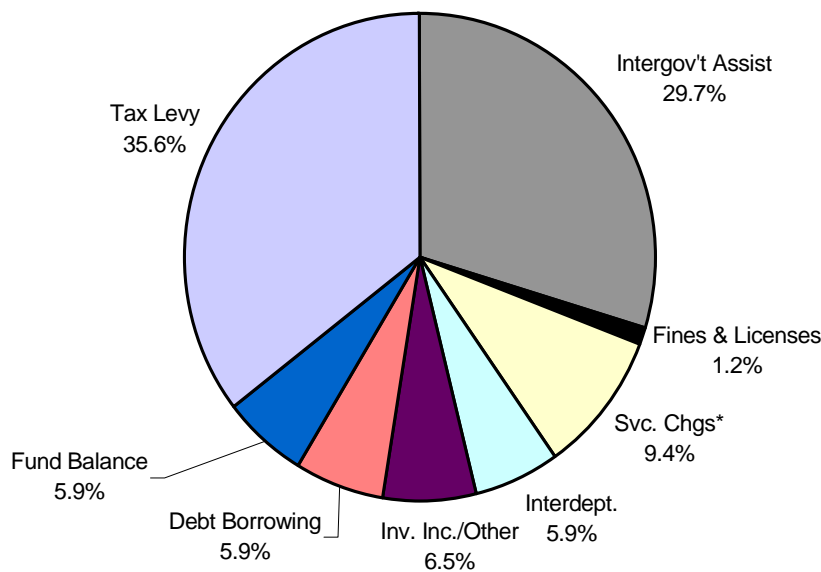
2004 REVENUE HIGHLIGHTS

Revenue Budget:

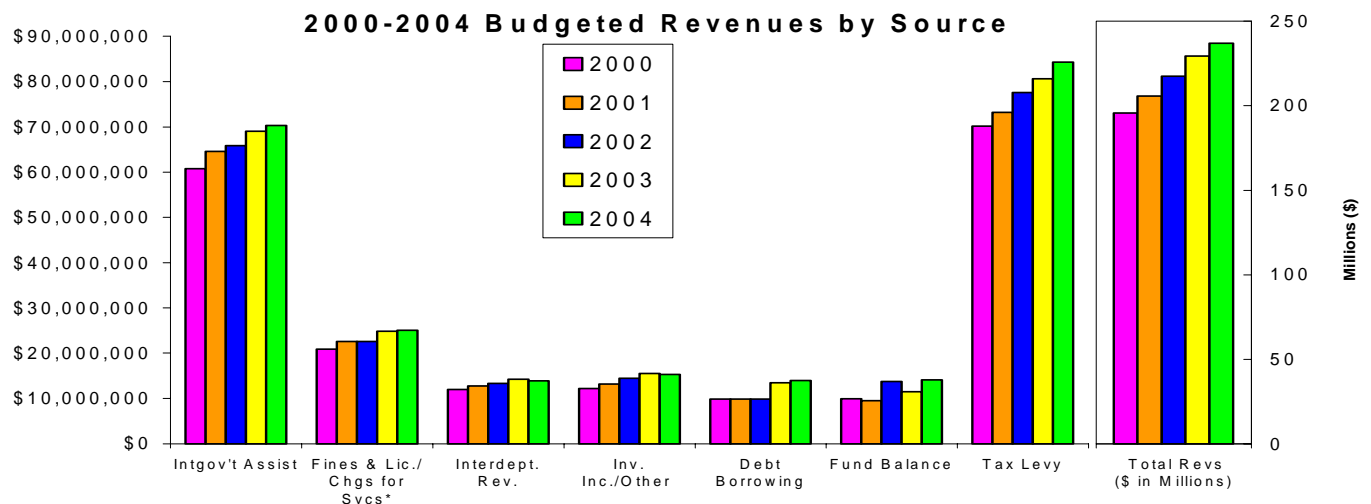
The 2004 revenue budget (excluding property tax levy, fund balance appropriations and revenue generating proprietary fund retained earnings) totals \$138,644,045, an increase of \$1,494,617 or 1.1% from the 2003 adopted budget. The net revenue budget is \$124,773,193 after elimination of \$13,870,852 of interdepartmental revenues (mostly from internal service funds), which are in essence double-budgeted. The 2004 revenues consist of departmental operating revenues budgeted at \$121,313,577 and capital project funding at \$17,330,468 including \$14,000,000 from planned borrowing. Overall, the operating revenues increase \$3,070,018 or 2.60% from the prior year budget. The increase is primarily due to a \$2,789,503 or a 4.6% increase in Intergovernmental Contracts and Grants revenue mainly consisting of a \$2.3 million in Human Services Long Term Care funding.

The graph below reflects the ratio of revenue sources budgeted for 2004 to all revenue sources, with Tax Levy of 35.6% and Intergovernmental Assistance of 29.7% as the major revenue components.

2004 Revenue Sources as a Percent of Total



The graph below reflects the revenue budgeted from all sources for 2000-2004. Nearly all sources have shown annual increases during the five-year period.



*Excludes retained earnings.

Detailed revenue highlights are included within each functional area summary. A summary of highlights and major changes from the 2003 adopted revenue budget, by source, follows.

2004 REVENUE HIGHLIGHTS

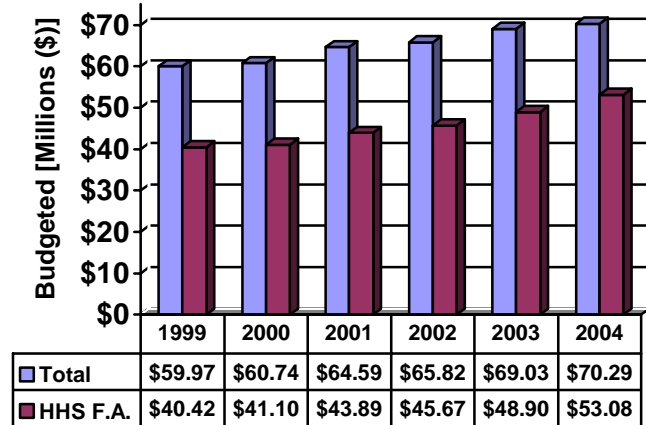
The property tax levy is not considered revenue for purposes of this section. Similarly, fund balance appropriations are not considered revenues, but rather re-appropriation of prior years' tax levy funding used to reduce the amount of taxes that must be levied.

Intergovernmental Assistance:

Combined, total 2004 intergovernmental contracts, grants, state aids and state shared revenues are budgeted at more than \$70,288,108 representing an increase of approximately \$1,259,853 or 1.8% from the previous year's budget.

The Health and Human Services Functional Area (HHS F.A.) receives the majority of its funding from Federal / State intergovernmental assistance. The Health and Human Services Functional Area includes the Depts. of Health and Human Services, Senior Services, Veterans, Child Support, and Community Development Block Grant. Increase in annual funding is mainly from Federal funding for CDBG program assistance and Health and Social Services funding.

Intergovernmental Assistance



- **Health and Human Services -Long Term Care** funding revenues increases \$2.3 million. Of this amount, Community Integration and Community Options Services program revenue increases \$1.15 million primarily as a result of a 16,700 increase in the number of days of care. **Developmental Disability Services** is budgeting an increase in Medicaid Waiver funding of \$1.16 million, which the program will use to purchase an additional 14,250 days of service in 2004.
- **Community Development Block Grant** is budgeting an increase of \$1.65 million of revenue for housing development loans and grants.
- **Senior Services** is budgeting an increase of grant \$180,500 of grant funding increases for various services and the nutrition program.
- **Corporation Counsel – Child Support** is budgeting \$140,000 of additional revenue based on higher administrative expenditure reimbursement funding and additional performance measure incentive funding.
- **State shared revenues** are projected to decrease by an estimated 49%, or nearly \$1.7 million.
- **Public Works** State and Federal **transit funding** for contracted services will no longer be budgeted or accounted for as it will be remitted directly to the contracted program administrator. This includes expenditures and revenues reductions of almost \$2.6 million.
- **State transportation aids** budget increase of \$150,000 is allocated to the capital budget due to the uncertainty of the State budget. There is no increase in the Public Works operating budget.
- **Department of Health and Human Services** primary source of intergovernmental revenue, the **Basic County Allocation** (BCA) remains at the 2003 budget level of \$11.4 million. The lack of an increase in BCA is a significant driver behind increasing Health and Human Services local levy need. Human Services levy increases \$860,000 million or 5.1% in 2004.

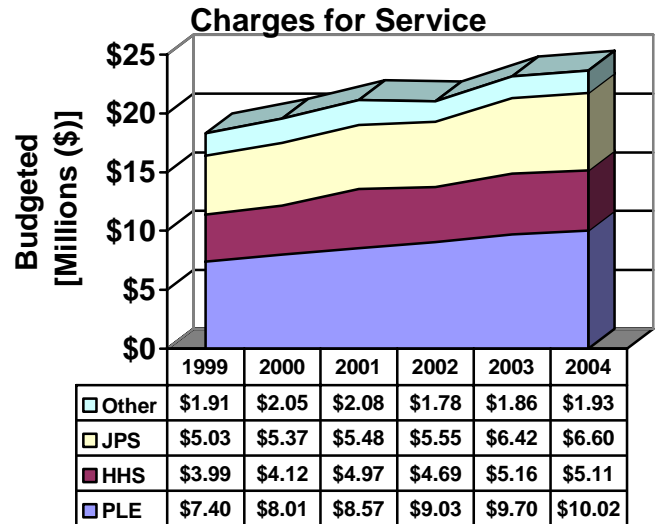
Charges for Services:

Charges for County services (user fees) are budgeted at \$23,656,494, which represents an increase of approximately \$246,200 or about 1.1% from the 2003 adopted budget.

User Fees are charges for specific government services to those who utilize those services. They provide an equitable, proportional method to continue service operations without charging the general population. User fees collected include fees for document recording and real estate transfer and public admission for recreation usage (PLE), health care and services (HHS), and inmate stays, contracted patrols, and judicial and public safety (JPS).

2004 REVENUE HIGHLIGHTS

- **Register of Deeds** real estate transfer and recording fee revenues and related service revenues are budgeted \$186,600 higher than the 2003 budget. The increase primarily reflects an increase in the number of recorded pages per document. Document volume increases 5,000 (to 120,000) from the 2003 budget level of 115,000 documents.
- **Parks and Land Use** charges increase \$145,600 from an increase of \$113,300 for Land Information and \$123,800 of Material Recycling Fund fees offsetting decreases of \$107,400 for fees at enterprise operations (golf courses, ice arenas, and exposition center).
- **Public Works – Central Fleet** charges increase \$80,300 from municipal maintenance revenue fees.



- **The Medical Examiner** is proposing to contract with another county to perform autopsies under a regional areas shared services arrangement at a charge of \$1,400 per case with a 2004 budgeted revenue amount of \$84,000.
- **Capital Projects** revenue decreases \$276,000 for one-time 2003 revenue for a reimbursement from the Village of Mukwonago to add street lighting and sidewalks to a highway capital project

Fines and Licenses:

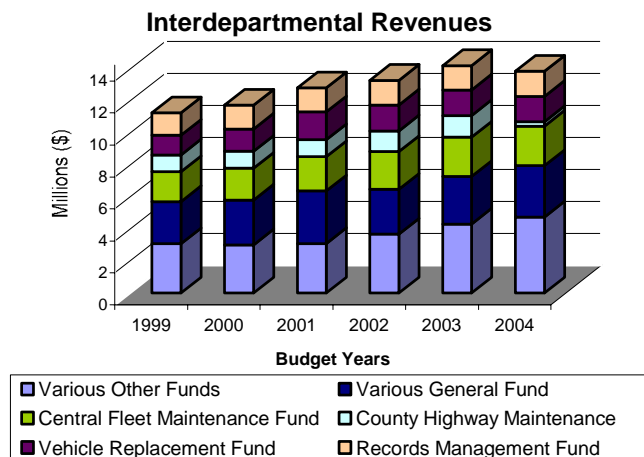
Overall fine and license revenues total \$2,778,445 in 2004, an increase of more than \$150,100, or 5.7% from the 2003 adopted budget.

- **Parks Department** increases \$75,800 through increased license revenue of \$65,300 and permit revenue of \$10,500.
- **Justice and Public Safety** revenue from various fees increases \$28,800 through an increase in Medical Examiner cremation permit revenue of \$23,400.
- **Public Works – General** revenue from permits increases \$25,000.

Interdepartmental Revenues:

Overall interdepartmental revenues total more than \$13,870,852, a decrease of \$347,194 or 2.44% from the 2003 adopted budget.

- Revenue increases are realized across multiple internal service funds, such as the **End User Technology Fund** for computer replacement for \$348,900.
- **Department of Administration** revenue increase of \$281,300 for the cross charges to other county departments for risk management, radio services, and administrative charges.
- **Public Works** department decreases \$1,047,200 reflecting an accounting change in handling state reimbursements for county equipment usage.



2004 REVENUE HIGHLIGHTS

Other Revenues (Excludes fund balance appropriations):

(Note: Other Revenues described here exclude fund balance appropriations. However, the Other Revenues identified in the Agency and Organization Summary detail include surplus unreserved fund balance appropriated to reduce the amount of taxes levied.)

Revenues from other sources in the 2004 budget total over \$15.3 million. This represents a decrease of almost \$149,200 or about 1.0% from the 2003 adopted budget.

- **Capital Project** revenue from non-county sources decreases \$700,000 with revenue budgeted in 2003 but not repeated in 2004 for the Retzer Nature Center project of \$400,000 from the Waukesha School District and \$300,000 from the Friends of Retzer.
- **Parks and Land Use Department** revenue budgets increases by over \$212,400 mainly from Materials Recycling Fund revenues, **Public Works** revenue budget increases by over \$132,400 for an increase in the **Vehicle Replacement Fund** for the amount received for vehicle sales, and **HHS-Long Term Care** budget is increasing \$142,100 based on additional SSI/SS collections and cost recoveries.

Debt Financing:

The 2004 budget includes borrowing of \$14 million to finance a portion of 2004 capital projects. This represents an increase of \$500,000 in the level of borrowing from the 2003 adopted budget.

Appropriated Fund Balance:

To reduce the 2003 tax levy (for 2004 budget purposes), the budget includes fund balance appropriations of \$14,084,419, for one-time projects or expenditures. This includes \$7,823,849 for the operating budget and \$6,260,570 for the Capital Projects budget.

Capital budget appropriations of fund balance include: \$4.4 million for the Justice Facility Project from prior year's jail assessment fees and federal marshal revenue; \$500,000 of End User Technology Fund balance; \$445,000 of Capital Projects fund balance; \$250,000 of Collections, \$650,000 of Human Services fund balance, and \$45,000 of Radio Services fund balance.

Operating budget fund balance appropriations, mainly for one time expenditure items, of most significance includes: \$1,400,000 related to debt service of which \$450,000 is designated 2003 (prior year) investment income; \$200,000 of Materials Recycling Facility fund balance, \$150,000 of Golf Course fund balance, \$100,000 of Tarmann fund balance and \$100,000 general fund balance for parkland acquisitions in the Tarmann Fund; \$606,050 of Human Services fund balance; \$1,044,000 of general fund balance for Non-Departmental General; \$1,000,000 of General fund balance for the Contingency; \$376,917 of General Fund balance for Public Works-Communication Center one-time start up costs; \$247,267 of general fund balance for the Non-Departmental End User Technology Fund; \$234,500 (to reduce taxes) for 2003 Tax Incremental District receipts from dissolved TIF's; \$80,000 for County Clerk one time (presidential year) election costs, \$75,000 for prior year start up cost repayments to reduce the tax levy and \$12,000 for software upgrades from the Collections Fund, \$334,650 for Radio Services to fund depreciation expense and general fund loan repayment of interest, \$335,272 for Risk Management; \$24,000 for Communications; \$101,083 for Central Fleet; \$769,930 for Parks and Land Use Enterprise Operations; \$173,977 for Airport; \$65,000 for Child Support; \$132,484 for Sheriff, \$29,430 for District Attorney; \$80,000 of general fund balance for Public works; \$90,000 general fund balance for Parks and Land Use Land Recycling program and one-time items, \$45,500 of General Fund Balance for Register of Deeds one-time items; \$6,639 for the Federated Library; and \$10,150 for Senior Services-Nutrition.

Tax Levy and Property Assessed Valuation:

The overall 2003 tax levy (for 2004 budget purposes) is \$84,321,665, which represents an increase of \$3,712,106 or 4.6% from the 2003 adopted budget. The total tax levy consists of general County purpose tax levy of \$81,552,478, a \$3,487,024 or 4.5% increase from the 2003 adopted budget, and the Federated Library tax levy of \$2,769,187, an increase of \$225,082 or 8.85% from the 2003 adopted budget.

The tax levy rate for the general County portion of the budget is \$2.2095 per \$1,000 of equalized value, a decrease of \$0.1007 or 4.36%. The tax levy rate for the Federated Library System is \$0.2629 per \$1,000 of equalized value, a decrease of \$0.0014 or 0.5%.

The County's equalized property valuation (excluding Tax Incremental Financing Districts) as determined by the Wisconsin Department of Revenue is at \$36,910,435,050, an increase of more than \$3.12 billion or 9.23% from the previous year.